

FEDERAL LAW ENFORCEMENT TRAINING CENTER  
DEPARTMENT OF THE TREASURY



# *FINANCIAL FRAUD INSTITUTE*

Training ★ Technology ★ Vision

## SYLLABUS

**International Banking and Money Laundering  
Training Program  
(IBMLTP)**

September 2000

# **INTERNATIONAL BANKING AND MONEY LAUNDERING TRAINING PROGRAM SYLLABUS**

## **TABLE OF CONTENTS**

HISTORY and PURPOSE .....	2
ADMINISTRATION .....	3
Length of Program .....	3
Standard Daily Schedule .....	3
Program Cost .....	3
Location .....	3
Qualification for Attendance .....	3
Student Evaluation .....	4
ADDITIONAL INFORMATION .....	4
PARTICIPATING AGENCIES .....	5
PROGRAM SUMMARY .....	8
PROGRAM OF INSTRUCTION .....	9
BANK SECRECY ACT .....	10
A PROSECUTOR'S VIEW OF MONEY LAUNDERING .....	11
REGULATIONS AND TREATIES .....	12
MECHANICS OF INTERNATIONAL MONEY MOVEMENT .....	13
TAX HAVENS .....	14
INVESTIGATIVE ACCOUNTING .....	15
CANADIAN STATUTES AND INTERNATIONAL MONEY MOVEMENT .....	16
INTERNATIONAL BANKING .....	17
MEXICAN AND SOUTHWEST BORDER MONEY LAUNDERING .....	18
TRACING FUNDS THROUGH FINANCIAL INSTITUTIONS .....	20
CONCEALED INCOME/PE (CASE STUDY) .....	21
INTERNATIONAL FINANCIAL CRIMES .....	23
FINANCIAL CRIMES ENFORCEMENT NETWORK .....	24
COURSE INFORMATION .....	25
SAMPLE SCHEDULE .....	26

## **GENERAL INFORMATION**

### **HISTORY and PURPOSE of the INTERNATIONAL BANKING and MONEY LAUNDERING TRAINING PROGRAM (IBMLTP)**

In response to trends and developments within the area of international banking procedures and money laundering, the National Drug Policy Board's Financial Enforcement Committee established a task force to develop an international banking training program for intelligence analysts. The task force was comprised of individuals from the law enforcement, intelligence and banking communities, as well as the Police Executive Research Forum.

The mission of the task force was to establish a training program for Federal law enforcement intelligence analysts which would allow these individuals, as a part of their financial intelligence role, to interpret international money laundering and cash flow information. As a result of their efforts, the task force succeeded in developing a one-week training program, the International Banking and Money Laundering Training Program (IBMLTP). The program aims to enhance the capabilities of those individuals who handle financial information, particularly when the information relates to foreign financial institutions and/or money laundering. On September 18, 1989, the task force issued their final report as well as their recommended curriculum for the new training program.

In March 1990, the Federal Law Enforcement Training Center (FLETC) was designated the sponsor of the new training program. The Financial Fraud Institute (FFI), a division of the FLETC, was selected to provide all program coordination, scheduling, management and administrative requirements for the program. In October 1990, the pilot of IBMLTP was held, and in 1994 a Curriculum Review Conference took place to further refine the program. The current program is the result of those efforts.

The IBMLTP was initially designed for those students who are already trained in the methods of law enforcement intelligence analysis and who have prior experience working in that capacity. Keeping in mind that the subject matter of the program focuses primarily on the area of foreign banking, the ultimate objective of the program is to provide additional skills and techniques for analysts. Although originally developed for intelligence analysts, the FLETC has responded to the requests of its client agencies by recently expanding the program and making it available to criminal investigators.

The need for such an inter-agency and inter-disciplinary training program is now well documented and the FLETC is proud to be the sponsor of this important training initiative. As the scope and impact of large scale international crimes continue to grow. The IBMLTP will remain a viable and effective training program, responding to the evolving needs of the law enforcement community.

## ADMINISTRATION

Applicants should contact the Federal Law Enforcement Training Center, (FLETC) Scheduling and Allocation Division at (912) 267-2421 for enrollment information. Upon acceptance into a program, a confirmation letter with details on housing, transportation, and schedules will be mailed to the participant.

All training participants will report to the assigned classroom by 7:30 a.m. on the first day of training and should check in at the FLETC registration office the previous evening. The FLETC reserves the right to deny participation to anyone with an unexcused late arrival.

### Length of Program

The training program is 1-week in duration and has a total of 37 course hours.

On the last day of scheduled training, the training program will conclude at approximately 11:30 a.m. Due to FLETC transportation requirements, no airline departure should be scheduled earlier than 2:00 p.m. The FLETC reserves the right to deny graduation from the training program for any student departing from the training program early.

### Standard Daily Schedule

Morning Session	7:30 a.m. to 11:30 a.m.
Lunch	11:30 a.m. to 12:30 p.m.
Afternoon Session	12:30 p.m. to 4:30 p.m.

### Program Cost

Fees cover all costs including room, board, materials and supplies. Participants are responsible for their own transportation expenses to FLETC. Since costs vary from year to year, the participant fee for programs is listed in the annual schedule of classes.

### Location

All training is conducted at the FLETC, Glynco, Georgia, an interagency training facility located 6 miles north of Brunswick, Georgia and approximately 75 miles equidistant between Savannah, Georgia and Jacksonville, Florida. It is located near the beach resorts of St. Simons Island, Sea Island and Jekyll Island, Georgia. The climate is moderate and lends itself to year-round outdoor training.

### Qualification for Attendance

The Center's Board of Directors has determined that the training program is available to Federal organizations actively involved in investigating and prosecuting

crimes that involve international banking and money laundering. State and local agency personnel are eligible to attend on a space-available basis upon sponsorship of a Center participating organization.

### Student Evaluation

There will be a graded examination at the end of the program. The examination will consist of 25 questions in multiple choice and true or false format. Seventy percent accuracy is required to receive a Certificate of Attendance upon completion of the program.

## ADDITIONAL INFORMATION

Additional information concerning the International Banking and Money Laundering Training Program may be obtained by contacting:

### Federal Applicants:

IBMLTP Coordinator  
Federal Law Enforcement Training Center  
Financial Fraud Institute  
Glynco, Georgia 31524

(912) 267-2314  
(912) 267-2500 (FAX)

### State/Local Applicants:

Director  
Federal Law Enforcement Training Center  
Office of State/Local Training  
Glynco, Georgia 31524

(912) 267-2345 or  
(800) 743-5382

## **PARTICIPATING AGENCIES**

The following are the participating agencies at the Federal Law Enforcement Training Center (FLETC):

### **EXECUTIVE BRANCH**

#### **AGRICULTURE**

Forest Service

#### **COMMERCE**

National Institute of Standards and Technology

National Marine Fisheries Service

Office of Security

Office of Export Administration

#### **HEALTH AND HUMAN SERVICES**

Food & Drug Administration

National Institute of Health

#### **INTERIOR**

Bureau of Indian Affairs

Bureau of Land Management

Bureau of Reclamation

National Park Service

U.S. Fish and Wildlife Service

Office of Surface Mining, Reclamation and Enforcement

#### **JUSTICE**

Immigration and Naturalization Service

U.S. Marshals Service

Drug Enforcement Administration

Bureau of Prisons

#### **STATE**

Bureau of Diplomatic Security

#### **TRANSPORTATION**

Federal Aviation Administration

U.S. Coast Guard

#### **TREASURY**

Bureau of Alcohol, Tobacco, and Firearms

Bureau of Engraving and Printing

Internal Revenue Service  
U.S. Customs Service  
U.S. Mint  
U.S. Secret Service  
Financial Crimes Enforcement Network (FinCEN)

## DEFENSE

Defense Protective Service  
Naval Investigative Service  
National Security Agency

## PRESIDENT'S COUNCIL ON INTEGRITY AND EFFICIENCY

### Inspectors' General Offices:

Agency for International Development  
Department of Agriculture  
Department of Commerce  
Department of Defense  
Department of Education  
Department of Energy  
Department of Health and Human Services  
Department of Housing and Urban Development  
Department of Interior  
Department of Justice  
Department of Labor  
Department of State  
Department of Transportation  
Department of Treasury  
Environmental Protection Agency  
Federal Deposit Insurance Corporation  
Federal Emergency Management Agency  
General Services Administration  
Government Printing Office  
National Aeronautics and Space Administration  
Nuclear Regulatory Commission  
Office of Personnel Management  
Railroad Retirement Board  
Resolution Trust Corporation  
Small Business Administration  
Social Security Administration  
United States Information Agency  
Veterans Administration

## LEGISLATIVE BRANCH

**CONGRESS**

Government Printing Office  
Library of Congress Police  
U.S. Capitol Police

**JUDICIAL BRANCH****SUPREME COURT**

Supreme Court Police

**INDEPENDENT****AMTRAK**

Northeast Corridor Police

**CENTRAL INTELLIGENCE AGENCY**

Office of Security

**ENVIRONMENTAL PROTECTION AGENCY**

Office of Criminal Investigations

**FEDERAL EMERGENCY MANAGEMENT AGENCY**

Security Division

**GENERAL SERVICES ADMINISTRATION**

Office of Federal Protective Service

**SMITHSONIAN**

National Zoological Park  
Office of Protection Service

**TENNESSEE VALLEY AUTHORITY**

Public Safety Service  
Office of the Inspector General

**U.S. POSTAL SERVICE**

Postal Inspection Service--Postal Police



## **PROGRAM SUMMARY**

### **INTERNATIONAL BANKING AND MONEY LAUNDERING TRAINING PROGRAM**

Responsibility for the supervision and delivery of course material to students at the Federal Law Enforcement Training Center rests with the Office of Special Training (OST) which is responsible for overall program development and oversight, as well as course development and delivery. The OST is comprised of four instructional divisions as follows: Financial Fraud Institute, Driver and Marine, Physical Techniques, and Firearms.

In the IBMLTP, course instruction is a multi-agency responsibility. Instructors for the program are from the FLETC and several of the participating organizations. Guest instructors from Federal organizations outside of the FLETC are also used to augment the Center instructors. These organizations are: Comptroller of the Currency, Department of Justice (Office of International Affairs), Federal Reserve Board, Financial Crimes Enforcement Network, Federal Bureau of Investigation and INTERPOL.

The course descriptions and objectives listed herein are presented in this format: course title, section, length and method of presentation, description and objectives. The length of the courses is presented in hour and minute notations. The primary methods of presentation are listed with the following formats:

LECTURE/CLASSROOM- A training situation, indoors or outdoors, in which instructional material is being presented by an instructor.

LABORATORY- A training situation, indoors or outdoors, in which students are practicing skills under guidance of an instructor(s).

PRACTICAL EXERCISE- A training situation, indoors or outdoors, in which students, under supervision/evaluation of an instructor(s), are participating in a law enforcement related scenario or performing a law enforcement related skill which will be graded.

## **PROGRAM OF INSTRUCTION**

### **INTERNATIONAL BANKING AND MONEY LAUNDERING TRAINING PROGRAM**

**COURSE TITLE:    BANK SECRECY ACT****LENGTH AND METHOD OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISES</u>	<u>TOTAL</u>
3:00			3:00

**DESCRIPTION:**

This course of instruction gives the student the practical application of the Bank Secrecy Act (BSA) against the professional money launderers that support organized criminal activity, such as drug trafficking. The Bank Secrecy Act truly is a "tool" to be used against the illegal activities of narcotics traffickers, money launderers, and tax evaders.

**TERMINAL PERFORMANCE OBJECTIVES:**

The student will have a fundamental understanding of the basic elements of the Bank Secrecy Act and the regulations requiring the filing of reports, as well as the maintenance of records, that are determined to have a high degree of usefulness in criminal, tax, and regulatory investigations or proceedings.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Identify the responsibilities of the Office of Financial Enforcement with regard to BSA regulations.
2. Identify the four BSA reports that are required to be filed.
3. Identify the other types of reporting forms that the Act requires financial institutions to maintain.
4. Define the term "structuring".
5. Identify the penalties that can be imposed under the Act.
6. Describe how the BSA reports have proven highly useful for civil and criminal law enforcement purposes.

**METHOD OF EVALUATION:**    Completion of course.

**COURSE TITLE:** A PROSECUTOR'S VIEW OF MONEY LAUNDERING**LENGTH AND METHOD OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISES</u>	<u>TOTAL</u>
2:00			2:00

**DESCRIPTION:**

This course of instruction gives the student the civil and criminal provisions of the money laundering laws, specifically Title 18, 1956/1957 and Title 31. It covers financial transaction offenses, international transportation offenses, "sting" offenses, and monetary transaction offenses. It covers the elements of each offense and the legislative intent of the law.

**TERMINAL PERFORMANCE OBJECTIVES:**

The student will have a fundamental understanding of the basic elements of each of the major statutes used in the investigation/prosecution of money laundering violations. They will be able to determine which of the four separate criminal offenses is best suited for potential money laundering prosecutions.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Define the elements of financial transaction offenses, international transportation offenses, "sting" offenses, and monetary transaction offenses.
2. Define the specific terms: financial transaction, specified unlawful activity, monetary transaction, criminally derived property, and financial institution.

**METHOD OF EVALUATION:** Completion of course.

**COURSE TITLE: REGULATIONS AND TREATIES****LENGTH AND METHOD OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
3:00			3:00

**DESCRIPTION:**

This course of instruction provides the student with the importance of regulations and treaties between the United States and other foreign countries, as well as the basic understanding of why international treaties and regulations need to be recognized during criminal investigations and prosecutions.

**TERMINAL PERFORMANCE OBJECTIVES:**

The student will have a basic understanding of the responsibilities of the Office of International Affairs, Department of Justice (to include extradition requests, international legal assistance [criminal], negotiation of extradition treaties, advice regarding foreign and international law, and the importance of consultation with the DOJ), State Department, Treasury Department, and other law enforcement agencies on policy and legal issues involving international criminal matters.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the importance of regulations and treaties.
2. Describe current history of U.S. initiatives in bank secrecy havens.
3. Define mutual legal assistance treaties (MLATS) and letters rogatory.
4. Describe Treasury's initiative at INTERPOL.
5. Describe U.S. financial enforcement objectives in the future.

**METHOD OF EVALUATION:** Completion of course.

**COURSE TITLE:** MECHANICS OF INTERNATIONAL MONEY MOVEMENT**LENGTH AND METHOD OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
2:00			2:00

**DESCRIPTION:**

This course provides the student with a basic understanding of the money laundering methods that exist and attempts to identify the threat posed by these methods to the United States and Federal law enforcement.

**TERMINAL PERFORMANCE OBJECTIVE:**

The student will identify the types of money laundering methods that exist and the potential threat that these methods pose on the United States and Federal law enforcement.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the current methods used to launder (or place) bulk cash through traditional, and non-traditional, domestic financial institutions.
2. Describe the methods used to smuggle currency out the country.
3. Describe the methods currently used to separate profits from their illicit source.
4. Describe the methods used to provide legitimate explanations for wealth derived from illegal activity.
5. Describe future methods of placing, layering or integrating illicit profits.
6. Describe how Federal law enforcement might mobilize its enforcement and intelligence assets to combat these possible threats.

**METHOD OF EVALUATION:** Completion of course.

**COURSE TITLE: TAX HAVENS****LENGTH AND METHOD OF EVALUATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
5:00			5:00

**DESCRIPTION:**

This course is designed to give students a basic understanding of the reasons for use and methods employed by individuals who utilize tax havens to facilitate money laundering. Additionally, the course will provide suggested steps and approaches in overcoming problems generated by tax haven use. Several relevant court decisions will also be discussed.

**TERMINAL PERFORMANCE OBJECTIVES:**

The student will be able to identify the characteristics and reasons for using tax havens, as well as be able to identify the major tax havens and financial secrecy jurisdictions. This will identifying their individual advantages, services and specialties.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Identify the common methods utilized by individuals to facilitate money laundering through tax havens.
2. Identify the types of business entities established off-shore, that individuals use to facilitate money laundering.
3. Identify several methods utilized to develop cases on individuals utilizing tax havens.

**METHOD OF EVALUATION:** Completion of course.

**COURSE TITLE: INVESTIGATIVE ACCOUNTING****LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
3:00			3:00

**DESCRIPTION:**

This course of instruction gives the student a hands-on application in the use of analytical accounting techniques that would be useful in money laundering investigations. The course starts out by introducing the student to the five categories of accounts that are used by any business. The student is then given a brief introduction to the accounting cycle and formal financial statements. The remainder of the course focuses on specific techniques to be used to go behind the source documents, behind the books and records to evaluate the authenticity and accuracy of the recorded transactions.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will define the five categories of accounts that are used by every business enterprise and how transactions affecting those five categories flow into the books and records and financial statements. The student will also be able to determine how to go behind the source documents, behind the books and records, behind the financial statements to evaluate the authenticity and accuracy of the recorded transactions.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Define the five categories of accounts used by any business.
2. Describe how transactions affecting these accounts flow into the books and records.
3. Describe how these transactions flow into the formal financial statements.
4. Describe how to go behind the source documents to determine the authenticity and accuracy of the recorded transactions and supporting financial statements.

**METHOD OF EVALUATION:** Completion of the course.



**COURSE TITLE:** CANADIAN STATUTES AND INTERNATIONAL MONEY  
MOVEMENT**LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
4:00			4:00

**DESCRIPTION:**

This course of instruction gives the student a fundamental understanding of the Canadian money system, how laundering schemes and currency flows between the United States and Canada might be structured, and draws a series of distinct differences between the U.S. Bank Secrecy Act and Canadian controls. The course also focuses on the various alliance treaties that exist and how agents might be able to help each other to deal with currency flows between the two countries.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will be able to describe the differences in the controls surrounding the United States and Canadian banking systems. The student will be able to describe the distinct differences between the two systems and how laundering schemes with currency flows between the two countries might be structured.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the Canadian legislation dealing with laundering activity and the "proceeds of crime".
2. Describe the differences between United States banking laws controlling money laundering and Canadian laws.
3. Discuss the alliance treaties that exist between the two countries to deal with money laundering offenses.
4. Describe differences in access to records and draw parallels that exist between U.S. disclosure and Canadian disclosure.

**METHOD OF EVALUATION:** Completion of the course.

**COURSE TITLE: INTERNATIONAL BANKING****LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
4:00			4:00

**DESCRIPTION:**

This course of instruction gives the student a fundamental understanding of the international banking structure. To provide this understanding, the course focuses first on checks and electronic payments then wire transfers such as FEDWIRE, CHIPS, SWIFT and other transfer media. The focus then shifts to the international banking framework and the role of the Federal Reserve within that system, discussing such items as international services provided by U.S. banks and products provided by U.S. banks for their international operations. The course of instruction also deals extensively with "Know Your Customer" and Internal Compliance and provides the student instruction on how to identify abuses within the banking structure.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will be able to describe how funds are transferred internationally, describe the characteristics of the system used to effect the transfers, and list compliance and control methods used and opportunities that may exist for abuses to occur.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the framework of the international banking system including international services performed by U.S. banks and the role of the U.S. Federal Reserve in the international system.
2. List the various electronic and wire transfer systems and how these systems are used to transfer funds.
3. Describe the internal compliance methods within the international banking system and methods that might be used to identify abuses within the system.

**METHOD OF EVALUATION:** Completion of the course.

**COURSE TITLE: MEXICAN AND SOUTHWEST BORDER MONEY LAUNDERING****LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
2:00			2:00

**DESCRIPTION:**

This course of instruction gives the student a basic understanding of the concepts surrounding the use of Mexican bank drafts to launder money, currency smuggling, and other money laundering issues along the southwest border. The course will focus on how and why the prolific rise in the use of Mexican drafts has occurred, the schemes related to their use, and the techniques to be used in an investigation of Mexican bank draft use. Finally, the course will discuss the ascension to prominence of the "casas de cambio" (currency exchange houses), their role in money movement along the border and the demographics of the area that, in fact, aid in and encourage the large money flow.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will be able to describe how Mexican bank drafts are used to launder currency, the various money laundering methods employed in Southwest border money laundering and the investigative issues involved in Southwest border money laundering.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe how Mexican bank drafts are used to move currency into and out of the United States.
2. Describe the money laundering schemes related to the use of Mexican bank drafts.
3. Describe the investigative issues related to the use of Mexican bank drafts to launder funds.
4. Describe the process that led to the ascension to prominence of the "casas de cambio" (currency exchange houses) and their predominant role in Southwest border money laundering.
5. Describe the legal/legislative initiatives underway to curb money laundering along the Southwest border.

6. Describe the demographics that contribute to the large money movement along the Southwest border.

**METHOD OF EVALUATION:** Completion of the course.

**COURSE TITLE:** TRACING FUNDS THROUGH FINANCIAL INSTITUTIONS**LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
2:00			2:00

**DESCRIPTION:**

This course of instruction gives the student a practical view of the flow of transactions into, through, and out of banks. The student will be acquainted with the two broad categories of banking transactions and the sub-elements making up those categories. The course also places a great deal of emphasis on which bank records to request, what those bank records are likely to reveal, and how to search the various records obtained.

**TERMINAL PERFORMANCE OBJECTIVES:**

After completion of this course, the student will be able to describe how funds flow in and out of the banking system, describe information that can be obtained from financial transactions, and list search techniques that will assist in uncovering evidence of improprieties.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the two different categories of banking transactions.
2. Describe the transaction flow into, through, and out of banks.
3. Describe the steps involved in obtaining bank records and some of the pitfalls to be avoided.
4. Describe what might be revealed by the different types of banking records.
5. Describe how the different types of bank records might be successfully searched.

**METHOD OF EVALUATION:** Completion of course.

**COURSE TITLE: CONCEALED INCOME/PE (CASE STUDY)****LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
		3:00	3:00

**DESCRIPTION:**

This course of instruction is designed to provide the investigator or analyst with existing and new techniques in analyzing and compiling financial records to determine the extent of concealed income. The course of instruction begins with a perfunctory review of the different categories of accounts in the cycle (assets, liabilities, equity, income and expenses. The student is then introduced, using these categories, to the mechanics of preparation and analysis of the target's net worth. Focus is on how new worth might be used to formulate leads and act as evidence. The course then focuses on the same information preparation of the source and application of funds statement and bank deposits.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will be able to describe the categories that must be analyzed to properly prepare a net worth, source and application, or bank deposit method of proof. Further, the student, using the categories discussed above, will be able to evaluate asset acquisition and disposition, debt acquisition and liability payments, the sources of funds and their uses, in order to accurately determine the subjects concealed income.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the categories of financial accounts that must be examined to determine concealed income under any of the three separate methods of proof.
2. Describe the type of transactions to be evaluated in preparation of a net worth statement to determine increase (or decrease) in net worth and concealed income (if any).
3. Describe the type of transactions to be evaluated in preparation of the source and application of funds.
4. Define the typical financial transactions and how bank records might be used to support concealed income determination.

**SPECIAL REQUIREMENTS:**

There are two very extensive practical exercises included in this course. The practical exercises are included in the student handbook and must be monitored very closely by the instructor(s). It is imperative that the instructor go over the solution to each practical exercise and resolve any areas of difficulty.

**METHOD OF EVALUATION:** Demonstrated proficiency.

**COURSE TITLE:** INTERNATIONAL FINANCIAL CRIMES**LENGTH OF PRESENTATION:**

<u>LECTURE/CLASS</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
3:00			3:00

**DESCRIPTION:**

This course of instruction gives the student a fundamental understanding of the international political and economic arena and then focuses on particular trends in financial activity. The course is designed to allow the instructor to spotlight new, emerging trends throughout the world. Those trends could be Asian gangs or could be the divergent activity found in Russian organized crime. Currency movement, methods and trends in money laundering and the nature of the crimes carried out to generate the currency will all be discussed.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will be able to describe the international political and economic trends that are contributing to the growth of financial crimes in a particular area. The student will be able to identify emerging trends in international financial crimes and the nature of the crimes carried out to generate the currency.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the current political and economic trends in the international arena that are contributing to financial crime hot spots.
2. Identify current international hot spots and describe the trends that are emerging in those areas.
3. Describe any innovative trends in international currency movement.
4. Identify the nature of the crimes carried out to generate the currency.

**METHOD OF EVALUATION:** Completion of the course.



**COURSE TITLE: FINANCIAL CRIMES ENFORCEMENT NETWORK****LENGTH OF PRESENTATION:**

<u>LECTURE</u>	<u>LABORATORY</u>	<u>PRACTICAL EXERCISE</u>	<u>TOTAL</u>
2:00			2:00

**DESCRIPTION:**

This course presents the principles under which the Financial Crimes Enforcement Network (FinCEN) was founded and describes the composition of the organization. The course discusses the primary purpose of FinCEN and relates that purpose to the priority that is given to narcotics and money laundering related cases. The course then focuses on the data bases that the FinCEN uses to identify additional associates of the target, financial transactions engaged in and any related or ancillary businesses. The course closes with illustrations of two actual cases and shows the student how FinCEN can be used to expand the investigative base in their case.

**TERMINAL PERFORMANCE OBJECTIVES:**

At the conclusion of this course the student will be able to describe the purpose and role of FinCEN, how to obtain access to the FinCEN, and how FinCEN uses commercial and law enforcement data bases to expand the investigative base.

**INTERIM PERFORMANCE OBJECTIVES:**

1. Describe the purpose and role of the Financial Crimes Enforcement Network.
2. Describe the organizational make up of FinCEN.
3. Describe how FinCEN may be accessed.
4. Describe the commercial and law enforcement data bases that FinCEN might use to expand the investigative base.

**METHOD OF EVALUATION:** Completion of course.

**COURSE INFORMATION****COURSE****HOURS of INSTRUCTION**

	<u>Lecture</u>	<u>Lab</u>	<u>Practical Exercise</u>	<u>Total</u>
Bank Secrecy Act	3:00			3:00
A Prosecutor's View of Money Laundering	2:00			2:00
Mexican & Southwest Border Money Laundering	2:00			2:00
Canadian Statutes & International Money Movement	2:00			2:00
International Financial Crimes	3:00			3:00
Tax Havens	5:00			5:00
Tracing Funds Thru Financial Institutions	2:00			2:00
International Banking	4:00			4:00
Mechanics of International Money Movement	2:00			2:00
Investigative Accounting	3:00			3:00
Regulations & Treaties	3:00			3:00
FinCEN	2:00			2:00
<u>Concealed Income/PE (Case Study)</u>	<u>      </u>		<u>3:00</u>	<u>3:00</u>
<b>SUBTOTALS</b>	33:00		3:00	36:00

**ADMINISTRATIVE TIME**

Introduction	1:00
<u>Class Evaluation &amp; Graduation</u>	<u>1:00</u>

**SUBTOTAL** 2:00

**TOTAL PROGRAM LENGTH**

Lecture:	33:00
Laboratory:	00:00
Practical Exercise:	3:00
<u>Administrative:</u>	<u>2:00</u>
<b>TOTAL</b>	<b>38:00</b>

## SAMPLE SCHEDULE

The following is a typical schedule for the

### **INTERNATIONAL BANKING AND MONEY LAUNDERING TRAINING PROGRAM**

**FEDERAL LAW ENFORCEMENT TRAINING CENTER**  
**INTERNATIONAL BANKING/MONEY LAUNDERING TRAINING PROGRAM**  
*MASTER SCHEDULE*

Room:	<b>Week One</b>				Coordinator: Mr. Adams
	Monday	Tuesday	Wednesday	Thursday	Friday
<b>7:30 - 8:30</b>	Introduction <i>FFI Staff</i>	Tracing the Flow of Funds (Cont'd)  <i>FFI Staff</i>	International Banking	Commodities and Transfe Pricing	Money Laundering: Case Study
<b>8:30 - 9:30</b>	Bank Secrecy Act				
<b>9:30 - 10:30</b>		Regulations and Treaties			
			<i>Fed. Reserve Bank</i>	<i>Florida International Univ.</i>	<i>FFI Staff</i>
<b>10:30 - 11:30</b>	<i>Guest (FinCEN)</i>	<i>DOJ-OIA</i>	Canadian Statutes and Money Movement <i>Canadian Metro Police</i>	International Financial Crimes <i>Guest</i>	Closure/Graduation <i>FFI Staff</i>
<b>11:30 - 12:30</b>	#####	#####	#####	#####	#####
<b>12:30 - 1:30</b>	Prosecutor's View of Money Laundering	Investigative Accounting: Money Laundering	Canadian Statutes and Money Movement (Cont'd)  <i>Canadian Metro Police</i>	International Financial Crimes (Cont'd) <i>Guest</i>	
<b>1:30 - 2:30</b>	<i>DOJ-AUSA</i>			Tax Havens	
<b>2:30 - 3:30</b>	Tracing the Flow of Funds		Mechanics of International Money Movement		
<b>3:30 - 4:30</b>	<i>FFI Staff</i>	<i>FFI Staff</i>	<i>USCS</i>	<i>IRS</i>	
<b>Afterhrs</b>					

*Revised: July 1998*